

RECOMMENDATION FOR COUNCIL ACTION**City Council Meeting Date**

December 7, 2017

Posting Language

Approve issuance of a rebate to CL Arrangement LP, for performing energy efficiency improvements at the Array Apartments located at 2000 Burton Drive, in an amount not to exceed \$184,667. (District 3)

Fiscal Note

Funding is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. A fiscal note is not required.

For More Information

Jeff Vice, Director, Local Government Relations (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

Council Committee, Boards and Commission Action

To be reviewed by the Electric Utility Commission on November 13, 2017 and by the Resource Management Commission on November 14, 2017.

Additional Backup Information

Austin Energy requests authorization to issue a rebate to CL Arrangement LP, in an amount not to exceed \$184,667, for energy efficiency measures at the Array Apartments. This multi-family complex is located at 2000 Burton Drive in Council District 3.

The property is comprised of 41 buildings and 370 apartment units, with a total of 327,750 square feet of conditioned space. The average rent for a one-bedroom unit is \$949, a two-bedroom unit is \$1,254, and a three-bedroom unit is \$1,599. Some residents, however, receive housing subsidies from the Housing Authority of the City of Austin (HACA) and/or participate in Austin Energy's Customer Assistance Program (CAP).

The energy efficiency measures at this property include: duct sealing, LED lighting, and water-saving devices. The estimated total cost of the project is \$184,667; the rebate will cover 100% of the total cost. This rebate is funded by Austin Energy's Multifamily Weatherization Assistance Program. While similar to the standard Multifamily Rebate Program, the rebates are larger for low income housing and are customized for each measure, based on historical savings and cost data.

These improvements are made in accordance with Austin Energy's Multifamily Weatherization Rebate Program guidelines and the Energy Conservation Audit and Disclosure (ECAD) Ordinance. The rebate program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to realize 1000 MW of energy efficiency and demand response by 2027. It is designed in part to reduce local air pollution through energy conservation, reduce peak demand, reduce the need to purchase additional generation, and assist customers in reducing electric consumption.

The avoided kilowatt-hours (kWh), estimated at 1,102,152 kWh per year, represent a major benefit to the local environment. This project is estimated to prevent the production of the following air emissions annually: 589.9 metric tons of Carbon Dioxide (CO₂), 0.262 metric tons of Nitrogen Oxides (NO_x), and 0.662 metric tons of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 1,324,903 vehicle miles traveled, the removal of 113 cars from our roadways, or the planting of 15,160 trees or 758 acres of forest in Austin's parks.



MULTIFAMILY REBATE FACT SHEET

Array Apartments

| | | | | | |
|--|--|-----------------------------|------------------------------|--------------|---|
| Community Name | Array Apartments | | | | |
| Customer Name | Roscoe Properties | | | | |
| Property Address | 2000 Burton Drive, Austin 78741 | | | | |
| Year Built | 1972 | | | | |
| Average Rent per Floor Plan | 1br/1ba \$899-\$999; 2br/1ba \$1,165; 2br/2ba \$1,249-\$1,349; 3br/2ba \$1,599 | | | | |
| Number of Rentable Units¹ | 370 | | | | |
| Housing Type² | Market rate and low income | | | | |
| Air Conditioner Tonnage | 2.2 average tonnage | | | | |
| Water Heater Type | Electric | | | | |
| On Code Department's Repeat Offender List?³ | No | | | | |
| Electric Utilization Intensity for this property | 10.78 kWh/sq ft | | | | |
| Average Electric Utilization Intensity for cohort⁴ | 11.17 kWh/sq ft for properties built before 1985 with electric heat | | | | |
| Energy Conservation Audit and Disclosure (ECAD) status⁵ | Compliant | | | | |
| Total Measure Costs | | | | | |
| | \$184,667 | | | | |
| Total Rebate – Not to Exceed | | | | | |
| | \$184,667 | | | | |
| % of Total Measure Costs | | | | | |
| | 100% | | | | |
| Rebate per Unit | | | | | |
| | \$499 | | | | |
| Scope of Work | | | | | |
| 370 Furred Down Duct Seal Configurations 7,090 LED Fixtures 1,240 Water Saving Devices | | | | | |
| Project Annual Savings at 100% Occupancy⁶ | | | | | |
| Kilowatts (kW) Saved – Estimated | 360.7 | | | | |
| Dollars per kW– Estimated | \$512 | | | | |
| Kilowatt-hours (kWh) Saved – Estimated | 1,102,152 | | | | |
| Monthly Savings Per Customer - Estimated⁷ | | | | | |
| Dollar savings | \$27.31 | | | | |
| Scope of Work | | | | | |
| Measure | Rebate Amount | kW Saved – Estimated | kWh Saved – Estimated | \$/kW | Average annual dollar savings per customer |
| Duct Seal | \$155,279 | 310.6 | 628,959 | \$500 | \$187 |
| LED Lighting | \$21,695 | 34.7 | 307,778 | \$625 | \$92 |
| Water Saving Devices | \$7,693 | 15.4 | 165,415 | \$500 | \$49 |
| Measures Performed - Last 10 Years at this property | | Completion Date | Rebate Amount | | |
| None | | | | | |

¹ Energy Conservation Audit and Disclosure (ECAD) 2016 Energy Guide for prospective residents lists total number of units and may include space not rented, e.g., office space, model units, maintenance shops, etc.

² Some residents receive Customer Assistance Program (CAP) and/or Housing Authority of the City of Austin (HACA) subsidies.

³ <http://www.austintexas.gov/department/repeat-offender-program>

⁴ Cohort Type is determined by the year the property is built and the heating type (either gas or electric).

⁵ Owner agrees to comply with TITLE 6. ENVIRONMENTAL CONTROL AND CONSERVATION. CHAPTER 6-7. ENERGY CONSERVATION CODE prior to issuance of the rebate check.

⁶ Energy (kWh) and dollars (\$) saved per project varies by both the size of the project and the type of heating. Projects with electric heat generally have higher savings than projects with gas heat.

⁷ Calculation based on 11 cents per kWh.

RECOMMENDATION FOR COUNCIL ACTION**City Council Meeting Date**

December 7, 2017

Posting Language

Approve issuance of a rebate to Starwood Capital Group, for performing energy efficiency improvements at Mission Grace Woods located at 3209 South I-35, in an amount not to exceed \$195,427. (District 3)

Fiscal Note

Funding is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. A fiscal note is not required.

For More Information:

Jeff Vice, Director, Local Government Relations (512) 322-6087; Denise Kuehn, Director, Energy Efficiency Services (512) 322-6138.

Council Committee, Boards and Commission Action

To be reviewed by the Electric Utility Commission on November 13, 2017 and by the Resource Management Commission on November 14, 2017.

Additional Backup Information:

Austin Energy requests authorization to issue a rebate to Starwood Capital Group, in an amount not to exceed \$195,427, for energy efficiency measures at the Mission Grace Woods (apartment complex) located at 3209 South I-35 in Council District 3.

The property is comprised of 22 buildings and 430 apartment units, with a total of 305,559 square feet of conditioned space. The average rent for a one-bedroom unit is \$855 and a two-bedroom unit is \$1,044. Some residents, however, receive housing subsidies from the Housing Authority of the City of Austin (HACA) and/or participate in Austin Energy's Customer Assistance Program (CAP).

The efficiency measures at this property include: attic insulation, solar screens, LED lighting, and water-saving devices. The estimated total cost of the project is \$195,427; the rebate will cover 100% of the total cost. This rebate is funded by Austin Energy's Multifamily Weatherization Assistance Program. While similar to the standard Multifamily Rebate Program, the rebates are larger for low income housing and are customized for each measure, based on historical savings and cost data.

These improvements will be made in accordance with Austin Energy's Multifamily Weatherization Assistance Rebate Program guidelines and the Energy Conservation Audit and Disclosure (ECAD) Ordinance. The rebate program is one element of Austin Energy's comprehensive Resource, Generation and Climate Protection Plan to realize 1000 MW of energy efficiency and demand response by 2027. It is designed in part to reduce local air pollution through energy conservation, reduce peak demand, reduce the need to purchase additional generation, and assist customers in reducing electric consumption.

The avoided kilowatt-hours (kWh), estimated at 305,857 kWh per year, represent a major benefit to the local environment. This project is estimated to prevent the production of the following air emissions annually: 163.7 metric tons of Carbon Dioxide (CO₂), 0.073 metric tons of Nitrogen Oxides (NO_x), and 0.184 metric tons of Sulfur Dioxide (SO₂). The project savings is equivalent to an estimated 367,672 vehicle miles traveled, the removal of 31 cars from our roadways, or the planting of 4,207 trees or 210 acres of forest in Austin's parks.



MULTIFAMILY REBATE FACT SHEET

Mission Grace Woods

| | | | | | |
|--|---|-----------------------------|------------------------------|--------------|---|
| Community Name | Mission Grace Woods | | | | |
| Customer Name | Starwood Capital Group (SOF-X Mission Grace Woods LP) | | | | |
| Property Address | 3209 IH 35 S | | | | |
| Year Built | 1982 | | | | |
| Average Rent per Floor Plan | 1 br/1 ba \$855; 2br/1ba \$1,044; 2br/2ba \$1,135 | | | | |
| Number of Rentable Units¹ | 430 | | | | |
| Housing Type² | Market rate and low income | | | | |
| Air Conditioner Tonnage | N/A | | | | |
| Water Heater Type | Electric | | | | |
| On Code Department's Repeat Offender List?³ | No | | | | |
| Electric Utilization Intensity for this property | 10.72 kWh/sq ft | | | | |
| Average Electric Utilization Intensity for cohort⁴ | 11.17 kWh/sq ft for properties built before 1985 with electric heat | | | | |
| Energy Conservation Audit and Disclosure (ECAD) status⁵ | Compliant | | | | |
| Total Measure Costs | | | | | |
| | \$195,427 | | | | |
| Total Rebate – Not to Exceed | | | | | |
| | \$195,427 | | | | |
| % of Total Measure Costs | | | | | |
| | 100% | | | | |
| Rebate per Unit | | | | | |
| | \$454.50 | | | | |
| Scope of Work | | | | | |
| 101,853 sq ft Attic Insulation 6,463 LED Fixtures 16,478 sq ft Solar Screens 1,372 Water Saving Devices | | | | | |
| Project Annual Savings at 100% Occupancy⁶ | | | | | |
| Kilowatts (kW) Saved – Estimated | 278.3 | | | | |
| Dollars per kW– Estimated | \$702 | | | | |
| Kilowatt-hours (kWh) Saved – Estimated | 788,121 | | | | |
| Monthly Savings Per Customer - Estimated⁷ | | | | | |
| Dollar savings | \$16.80 | | | | |
| Scope of Work | | | | | |
| Measure | Rebate Amount | kW Saved – Estimated | kWh Saved – Estimated | \$/kW | Average annual dollar savings per customer |
| Attic insulation | \$117,080 | 147.9 | 3323,892 | \$791 | \$78 |
| LED lighting | \$19,777 | 31.6 | 280,560 | \$625 | \$68 |
| Solar screens | \$50,033 | 81.7 | 61,838 | \$612 | \$15 |
| Water saving devices | \$8,538 | 17.1 | 183,587 | \$499 | \$44 |
| Measures Performed - Last 10 Years at this property | | | | | |
| | Completion Date | Rebate Amount | | | |
| Duct seal | Oct. 1, 2012 | \$62,801 | | | |

¹ Energy Conservation Audit and Disclosure 2016 Energy Guide for Prospective residents lists total number of units and may include units space not rented, e.g., office space, model units, maintenance shops, etc.

² Some residents receive Customer Assistance Program (CAP) and/or Housing Authority of the City of Austin (HACA) subsidies.

³ <http://www.austintexas.gov/department/repeat-offender-program>

⁴ Cohort Type is determined by the year the property is built and the heating type (either gas or electric).

⁵ Owner agrees to comply with TITLE 6. ENVIRONMENTAL CONTROL AND CONSERVATION. CHAPTER 6-7. ENERGY CONSERVATION CODE prior to issuance of the rebate check.

⁶ Energy (kWh) and dollars (\$) saved per project varies by both the size of the project and the type of heating. Projects with electric heat generally have higher savings than projects with gas heat.

⁷ Calculation based on 11 cents per kWh.

Council Meeting Date

December 7, 2017

Posting Language

Authorize negotiation and execution of a membership agreement with the Electric Power Research Institute, for research programs related to advanced distribution operations and planning, more efficient transmission, distribution, and generation operations, integration of distributed energy resources, demand response, and electric vehicles, for a term of three years, in an amount not to exceed \$1,200,000.

Lead Department

Austin Energy

Fiscal Note

Funding in the amount of \$400,000 is available in the Fiscal Year 2018-2017 Operating Budget of Austin Energy. Funding for remainder of the agreement is contingent upon available funding in future budgets. A fiscal note is not required.

For More Information:

Jeff Vice, Director, Local Government Issues (512) 322-6087; Khalil Shalabi, Vice President, Strategy, Technology, and Markets (512) 322-6520.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on November 13, 2017.

Additional Backup Information:

Membership in the Electric Power Research Institute (EPRI) will focus on programs that will allow Austin Energy to collaborate with other utilities and increase its understanding of technologies such as advanced distribution operations and planning, more efficient transmission, distribution, and generation operations, integration of distributed energy resources, demand response, and electric vehicle adoption. Austin Energy has been a member of EPRI for 11 years.

As the advancement in technology continues, the understanding and participation in the research and development required to advance relevant technology becomes more critical. Membership in EPRI provides a cost effective way for utilities to pool resources and participate in research projects that add value to their present and future operation.

The Electric Power Research Institute was established in 1973 as an independent, non-profit center for public interest energy and environmental research. EPRI brings together member organizations, its scientists and engineers, and other leading experts to work collaboratively on solutions to the challenges of electric power. These solutions span nearly every area of power generation, delivery, and use, including health, safety, and the environment. EPRI's members represent over 90 percent of the electricity generation in the United States and several European and other utilities. EPRI members includes several large municipal power peer utilities such as New York Power Authority, Seattle City Light, CPS Energy, and Nebraska Public Power, and public power is represented on the EPRI governing board.

RECOMMENDATION FOR COUNCIL ACTION**City Council Meeting Date**

December 7, 2017

Posting Language

Approve a resolution authorizing the filing of eminent domain proceedings for the fee acquisition and surface estate of approximately 455,086 square feet of land in the Santiago Del Valle Grant Abstract Number 24, Travis County, Texas, being out of and a portion of the remainder of that called 166.598 acres of land as described to George W. Brewer in that certain partition deed as recorded in Volume 9106, Page 615, Real Property Records Travis County, Texas, in the amount of \$1,190,000, for the public purpose of an electric substation to serve growing electrical loads in the South I-35 corridor. The owners of the needed property interest are Billie Jo Figer, Michael G. Figer, Donald K. Figer, Betsy A. Lambeth, Keith H. Harmon and Bonnie G. Harmon as trustees of the Harmon Family Trust. The property is located at 1101 East Slaughter Lane, just south of Brandt Road, within the Austin 2-Mile ETJ, in Travis County, Texas.

Lead Department

Austin Energy

Fiscal Note

Funding is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy.

Prior Council Action:**For More Information:**

Jeff Vice, Director, Local Government Issues (512) 322-6087; Dan Smith, Vice President, Electric Service Delivery, (512) 505-7009; Pamela England, Manager, Public Involvement & Real Estate Services, (512) 322-6442, Angela Rodriguez, Staff Attorney, Law Department (512) 974-6032.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on November 13, 2017.

Additional Backup Information:

Construction of a new electric substation is required to serve growing electrical loads in the South IH-35 corridor. Large retail developments and increasing subdivision developments to the east of IH-35 have placed a strain on Austin Energy's existing distribution system infrastructure. Overloads and voltage problems will become an issue as circuits from the Slaughter Lane and Hi-Cross Substations are unable to accommodate these escalating electrical load requirements.

A new substation near East Slaughter Lane and Brandt Road will provide the capability needed to serve new developments and strengthen the electrical distribution system in this portion of Austin Energy's service territory. The substation will increase capacity, reliability, and safety for customers in this growing area of Austin. This approximate 10.5 acre tract of land is located within Austin's 2-Mile ETJ, in Travis County, and between Council Districts 2 and 5.

In April 2016, a plan to utilize City-owned tract of land for construction of a substation in this part of the service territory ended due to concerns from a neighborhood association and limited tract size. In contrast, the new proposed site is large enough to accommodate current infrastructure needs and allows for future

expansion, is best suited to connect to the existing transmission and distribution coming into and out of the substation, and will not require additional easements or rezoning.

Construction on a new substation needs to begin in October 2018—less than a year—in order to provide reliable and safe electric service to customers in the South IH-35 corridor. Considering that an eminent domain case may take a year or more to resolve, it is important to begin the process as soon as possible. Another delay in this critical electric system project will continue to expose customers in this area to unacceptable load and voltage levels causing outages and instabilities in providing service.

The current fair market value, as determined by an independent, third-party appraiser, is \$1,190,000. The City attempted to purchase the needed property however; the City and the property owner were unable to agree on its value. The Law Department is requesting authorization to file an action in eminent domain on behalf of the City of Austin.

LOCATION MAP



Austin Energy Proposed Acquisition
10.477 Acres



AUSTIN ENERGY
AE Public Involvement
& Real Estate Services

Council Meeting Date

December 7, 2017

Posting Language

Authorize negotiation and execution of all documents and instruments necessary or desirable to acquire a permanent electric transmission and distribution easement consisting of two tracts of land: Tract 1, approximately 1,522 square feet of land out of the Samuel Cushing Survey Number 70, Abstract Number 164; and Tract 2, approximately 2,927 square feet of land out of the Marquita Castro Survey Number 50, Abstract Number 160, both situated in the City of Austin 2 Mile ETJ, Travis County, Texas; for the relocation of a section of Austin Energy's Transmission Circuit 975, in an amount not to exceed \$82,471.62 including closing costs.

Lead Department

Austin Energy

Fiscal Note

Funding is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy. A fiscal note is not required.

Prior Council Action:**For More Information:**

Jeff Vice, Director, Local Government Issues (512) 322-6087; Dan Smith, Vice President, Electric Service Delivery (512) 505-7009; Pamela England, Manager, Public Involvement & Real Estate Services, (512) 322-6442.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on November 13, 2017.

Additional Backup Information:

Austin Energy's Transmission Circuit 975 Upgrade Project requires the relocation of a 2.3 mile section of the existing transmission circuit out of the Missouri-Kansas Railroad ("MOKAN") corridor. This portion of Circuit 975 must be upgraded from a 2,000 amp rating to 3,000 amps. It has been notably unreliable due to inadequate shielding and minimal phase-phase and phase-structure spacing. The line is also currently inaccessible for construction, and in its current location, will not meet National Electric Safety Code clearance requirements.

The new location along East Howard Lane will provide increased safety and reliability, as well as improved connectivity within the overall electric service system.

The Circuit 975 upgrade project requires the acquisition of two tracts of land near 2909 East Howard Lane. Tract 1 is approximately 1,522 square feet of land and Tract 2 is approximately 2,927 square feet of land. Both are located in the City of Austin 2 Mile ETJ within Travis County, Texas. The total amount for both tracts of land is \$82,471.62 including closing costs.

An independent third party appraisal indicated the market value of the easement tracts to be \$81,138. The property owner agreed to accept the market value appraisal opinion as total

compensation for both permanent electric easement tracts.

This transmission line realignment project requires the purchase of 17 easement tracts. To date, nine property owners have accepted the appraised value for the easements.

Proposed Transmission and Electric Distribution Easement 2909 East Howard Lane

-  Parcels
 -  Existing Easements
 -  Proposed Easements
- 2015 Aerial Imagery, City of Austin



*AE Public Involvement
& Real Estate Services*



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

This product has been produced by AUSTIN ENERGY for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.

Produced by ECervantes 10/4/2017



Posting Language

Authorize award and execution of a multi-term contract with Priester-Mell & Nicholson, Inc., to provide air insulated padmount switchgear, for up to five years for a total contract amount not to exceed \$3,793,350.

(This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.)

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$632,225 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets. A fiscal note is not required.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) GGU0166 for these goods. The solicitation issued on June 5, 2017 and it closed on June 29, 2017. Of the two offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to the solicitation's Authorized Contact Person: Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austinenergy.com.

Council Committee, Boards and Commission Action:

November 13, 2017 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide standard air insulated padmount switchgear for Austin Energy. Air insulated switchgear are used for underground electrical distribution systems. They are a collection of fuses and switches used for high voltage switching and circuit protection. This equipment will be used for existing and future improvements on underground projects such as campus-type industrial needs, and commercial and shopping centers where multiple pieces of equipment and multiple customers must be protected.

The contract will replace two existing contracts with total average annual expenditures of \$347,431, as well as new items not previously on contract. The contract forecast is based on the average usage over the past three years and forecasted work already reserved in Austin Energy’s work order system. The recommended contractor is the current provider for these goods.

If this contract is not executed, Austin Energy’s ability to respond to customers’ needs may be compromised.

Contract Detail

| | <u>Contract Term</u> | <u>Contract Amount</u> | <u>Contract Amendment</u> | <u>Revised Amount</u> |
|--------------------|---------------------------------|-----------------------------------|--------------------------------------|----------------------------------|
| Initial Term | 2 | \$1,517,340 | n/a | n/a |
| Extension Option 1 | 1 | \$ 758,670 | n/a | n/a |
| Extension Option 2 | 1 | \$ 758,670 | n/a | n/a |
| Extension Option 3 | 1 | \$ 758,670 | n/a | n/a |
| TOTAL | 5 | \$3,793,350 | \$ - | \$ - |

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Posting Language

Authorize award and execution of a multi-term contract with Texas Electric Cooperatives, to provide relays for switchgear and relay panels, for up to five years for a total contract amount not to exceed \$1,243,295.

(This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.)

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$207,216 is available in the 2017-2018 Operating Budget of Austin Energy. Funding for the remaining contract term is contingent upon available funding in future budgets. A fiscal note is not required.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) TVN1018 for these goods. The solicitation issued on August 21, 2017 and it closed on September 5, 2017. Of the seven offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

Prior Council Action:**For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Terry V. Nicholson, at 512-322-6586 or Terry.Nicholson@austinenergy.com.

Council Committee, Boards and Commission Action:

November 13, 2017 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The contract will provide relays and associated parts for Austin Energy on an as-needed basis. These protective relays will be installed on control panels and switchgear to protect high voltage transmission lines, substation equipment and Austin Energy's distribution system. These items will be used to support maintenance and emergency needs as well as special panel configurations that are part of Capital Improvement Program (CIP) projects.

This contract will replace the previous contract, which expired in August 2016, with total expenditures of \$401,672. The new contract request includes funding of approximately \$1,000,000 dedicated to CIP projects planned over the next five years, and an annual amount of approximately \$50,000 for unplanned usage and growth. Since the prior contract expired, Austin Energy has been able to remain operational with inventory on hand; however, the utility will have new demand for these items starting this fiscal year.

If the new contract is not awarded, open market purchases will be required to maintain Austin Energy's service requirements. The vendor identified for this contract is the most recent provider for these goods.

Contract Detail

| | <u>Contract Term</u> | <u>Contract Amount</u> | <u>Contract Amendment</u> | <u>Revised Amount</u> |
|--------------------|---------------------------------|-----------------------------------|--------------------------------------|----------------------------------|
| Initial Term | 1 | \$ 248,659 | n/a | n/a |
| Extension Option 1 | 1 | \$ 248,659 | n/a | n/a |
| Extension Option 2 | 1 | \$ 248,659 | n/a | n/a |
| Extension Option 3 | 1 | \$ 248,659 | n/a | n/a |
| Extension Option 4 | 1 | \$ 248,659 | n/a | n/a |
| TOTAL | 5 | \$1,243,295 | \$ - | \$ - |

Council Meeting Date:

December 7, 2017

Posting Language:

Authorize negotiation and execution of a professional services agreement with Stanley Consultants, Inc., (staff recommendation) or one of the other qualified responders for Request for Qualifications Solicitation No. CLMP232, to provide engineering services for design of a Future Downtown Gas-Insulated-Switchgear Substation, in an amount to exceed \$1,400,000.

(Note: This contract will be awarded in compliance with City Code Chapter 2-9B (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 15.80% MBE and 15.80% WBE participation.)

Fiscal Note:

Funding is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy. A fiscal note is not required.

Purchasing Language:

Staff recommendation is the most qualified firm out of three firms evaluated through the City's qualification-based selection process.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Aiden Cohen, 512-974-1929.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on October 16, 2017.

Additional Backup Information:

A new Austin Energy substation is required in order to serve the Central Business District development and potential redevelopment along the Waller Creek area. The need for this new substation was presented at the Austin Energy Utility Oversight Committee meeting on October 16, 2017. The 35-kilovolt network circuits in the Waller Creek area are now supplied out of the Seaholm and Brackenridge substations, and completing this new substation before additional Downtown development is completed is critical to support customer energy demands. Additionally, the new substation will support the load transfers that are necessary to allow upgrades to the Brackenridge substation and facilitate the conversion of 69-kilovolt facilities in the area to 138-kilovolt operations.

The selected firm will provide preliminary engineering, design, bidding, construction, and warranty phase services for the new gas insulated switchgear substation. The selected firm will also be responsible for conducting a community assessment and obtaining input from community stakeholders in conjunction with Austin Energy.

A delay in this award may negatively affect Austin Energy's ability to keep up with the demand for services in the Central Business District.

This authorization provides for funding of the above listed services. This request allows for the development of an agreement with the qualified responder selected by Council. If the City is unsuccessful in negotiating a satisfactory agreement with the selected responder, negotiations will cease with that provider. Staff will return to Council so that another qualified responder may be selected, authorizing contract negotiations with that provider.

TOP RANKED FIRM: STANLEY CONSULTANTS, INC. is located in Austin, Texas

SECOND RANKED FIRM: BURNS & MCDONNELL ENGINEERING CO., INC. is located in Austin, TX

Information on this solicitation is available through the City's Austin Finance Online website. Link: [Solicitation Documents](#).

M/WBE Summary

Participation subgoals stated in the solicitation were 1.90% African American; 9.00% Hispanic; 4.90% Native Asian; 15.80% WBE. The recommended firm provided a MBE/WBE Compliance Plan that met the goals of the solicitation and was approved by the Small and Minority Business Resources Department. The alternate firm provided a MBE/WBE Compliance Plan that met the goals of the solicitation and was approved by the Small and Minority Business Resources Department.

Public notice was given for this solicitation, CLMP232 Engineering Services for the Future Downtown Gas Insulated Switchgear Substation, through the City's Vendor Connection web portal, which resulted in 2058 firms receiving notification and 102 firms obtaining solicitation documents. Three firms submitted qualifications statements and submittals were received on August 23, 2017. Of the three submittals received, none of the firms submitting were certified MBE/WBE.

RECOMMENDED FIRM: STANLEY CONSULTANTS, INC., Austin, TX – Total Participation:

| | |
|---|--------|
| <u>NON M/WBE TOTAL – PRIME</u> | 68.40% |
| Stanley Consultants, Inc., Austin, TX | 68.40% |
| <u>MBE TOTAL – SUBCONSULTANTS</u> | 15.80% |
| <u>African American Subtotal</u> | 1.90% |
| (FB) Carter Design Associates, Inc., Austin, TX (architectural) | 1.90% |
| <u>Hispanic Subtotal</u> | 9.00% |
| (MH) Garcia Design, Inc., Austin, TX (landscape architecture) | 2.00% |
| (FH) Civil Land Group LLC, Round Rock, TX (civil engineering) | 4.00% |
| (MH) Maldonado-Burkett Intelligent Transportation Systems, LLP, Austin, TX (traffic & transportation engineering) | 3.00% |
| <u>Native/Asian Subtotal</u> | 4.90% |
| (MA) Encotech Engineering Consultants, Inc., Austin, TX (structural engineering) | 4.90% |
| <u>WBE TOTAL – SUBCONSULTANTS</u> | 15.80% |
| (FW) Harutunian Engineering, Inc., Austin, TX (electrical engineering) | 2.00% |
| (FW) Vickrey & Associates, Inc., Austin, TX (mapping services survey) | 2.00% |
| (FW) Baer Engineering & Environmental Consulting, Inc., Austin, TX (environmental engineering/permitting) | 4.80% |
| (FW) Holt Engineering, Inc., Austin, TX (geotechnical soils) | 2.00% |
| (FW) Concept Development & Planning, LLC, Austin, TX (community development consulting) | 5.00% |

ALTERNATE FIRM: BURNS & MCDONNELL ENGINEERING CO., INC., Kansas City, MO – Total Participation:

| | |
|---|---------------|
| <u>NON M/WBE TOTAL – PRIME</u> | <u>67.30%</u> |
| Burns & McDonnell Engineering Co., Inc., Kansas City, MO | 67.30% |
| <u>MBE TOTAL – SUBCONSULTANTS</u> | <u>15.90%</u> |
| <u>African American Subtotal</u> | <u>2.00%</u> |
| (FB) Beverly Silas & Associates, Austin, TX (community involvement) | 2.00% |
| <u>Hispanic Subtotal</u> | <u>9.00%</u> |
| (MH) Jose I. Guerra, Inc., Austin, TX (mep engineer services) | 9.00% |
| <u>Native/Asian Subtotal</u> | <u>4.90%</u> |
| (FA) JQ+Tsen, Austin, TX (structural engineering) | 4.90% |
| <u>WBE TOTAL – SUBCONSULTANTS</u> | <u>16.80%</u> |
| (FW) Holt, Austin, TX (geotechnical engineering) | 1.00% |
| (FW) MWM Design Group, Inc., Austin, TX (architectural consulting, civil engineering, survey) | 15.80% |

Capital Contracting Office
Evaluation of Consultant Qualifications

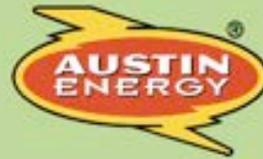
COMPOSITE
EVALUATION MATRIX

Received: August 23, 2017

Project: Engineering Services for Future Downtown Gas Insulated Switchgear Substation (CLMP232)

Project Manager: Tara Delagarza

| Firm (or Joint Venture) | Item 1 | Item 2 | Item 3a | Item 3b | Item 4 | | | Item 5 | Item 6 | Item 7 | Item 8 | SUB TOTAL | Item 9 | TOTAL POINTS | RANK |
|---|-----------------------------------|--|---------------------|-------------------------------|---|------------|---------------------|------------------|--|--|--|------------------------------------|-----------------------|-----------------|------|
| | [Yes or No] | [Yes or No] | [10] | [20] | [20] | | | [15] | [15] | [10] | [10] | | [15] | | |
| | MBE/WBE Procurement Program | Turned in all Required Documents | Team's Structure | Team's Project Approach | Project Manager, Project Professional and Project Principal Experience | PM [10] | Professional [6] | Principal [4] | Prime Firm's Comparable Project Experience | Major Scopes of Work Comparable Project Experience | Team's Experience with Austin Issues | COA Experience with Prime | Optional Interview | | |
| Stanley Consultants, Inc. | Y | Y | 9.30 | 17.00 | 9.00 | 5.10 | 3.20 | 12.20 | 13.30 | 9.48 | 8.33 | 86.91 | - | 86.91 | 1 |
| Burns & McDonnell Engineering Co., Inc. | Y | Y | 8.80 | 16.20 | 9.20 | 4.15 | 2.75 | 12.80 | 13.40 | 8.28 | 7.65 | 83.23 | - | 83.23 | 2 |
| TRC Engineers, Inc. | Y | Y | 7.80 | 9.10 | 8.60 | 5.20 | 2.65 | 11.60 | 12.75 | 7.84 | 8.33 | 73.87 | - | 73.87 | 3 |



Proposed New Substation 55 East Ave.



COUNCIL DATE:

December 7, 2017

Posting Language:

Authorize execution of all three extension options, for a combined amount of \$9,000,000, related to the 24-month Indefinite Delivery/Indefinite Quantity construction services contract with Bilfinger Westcon, Inc., for the installation of chilled water piping construction in the right-of-way, in the amount of \$6,000,000, for a total contract amount not to exceed \$15,000,000.

This contract will be awarded in compliance with City Code Chapter 2-9A (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 8.0% MBE and 6.0% WBE participation.

Amount and Source of Funding

Funding in the amount of \$6,900,000 is available in the Fiscal Year 2017-2018 Capital Budget of Austin Energy and funding in the amount of \$100,000 is available in the Fiscal Year 2017-2018 Operating Budget of Austin Energy. Funding for the remainder of the original contract and extension options are contingent upon available funding in future budgets.

Purchasing Language:

The contract was awarded to the lowest responsive bid of two bids received through a competitive Invitation for Bid solicitation.

Prior Council Action:

December 15, 2016 – Approved 24-month contract in the amount of \$6,000,000, with three 12-month extension options in the amount of \$3,000,000 each, for a total amount not to exceed \$15,000,000.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov.

NOTE: Respondents to this solicitation, and their representatives, shall direct inquiries to Rolando Fernandez, 512-974-7749 or Aiden Cohen, 512-974-1929.

Council Committee, Boards and Commission Action:

To be reviewed by the Electric Utility Commission on November 13, 2017.

Additional Backup Information:

Austin Energy owns and operates three district energy systems that transform electrical energy into thermal energy which is then distributed, via a network of underground pipes, to external customers in the form of chilled water ~~and steam services~~. The aggregation of loads enables superior efficiencies, reliability, and quality when compared to stand-alone systems. The thermal storage elements within each chilling station enable Austin Energy to shift electrical

consumption from on-peak to off-peak electrical periods. In this region, 40-45% of the electricity consumed by a typical commercial building goes to powering its air conditioning system.

Indefinite Delivery/Indefinite Quantity (ID/IQ) contracts provide for an indefinite quantity of services for a fixed time, usually an initial term with extension options. They are commonly used when precise quantities of supplies or services, above a specified minimum, cannot be determined. IDIQ contracts help streamline the contract process and service delivery, and allow the City the flexibility to add work as needs arise or change. As each project is defined, a specific work assignment is given to the contractor to complete the scope of work for the unit prices included in the contract. Work deadlines are established for each work assignment.

On December 15, 2016, Council authorized a 24-month ID/IQ construction services contract with Bilfinger Westcon for the installation of chilled water piping construction in the right-of-way, in the amount of \$6,000,000, with three 12-month extension options in the amount of \$3,000,000 for each extension option, for a total amount not to exceed \$15,000,000.

Austin Energy was on track with managing the approved contract terms of a 24-month base contract with three 12-month extensions. However, a project not identified in the IDIQ two-year forecast was recently added. The project is a chilled water transmission project at 4th and Rio Grande. This resulted in the expenditure of the base contract before the end of the two-year term. Therefore, Austin Energy is requesting the execution of the three extension options for the Bilfinger Westcon contract, for a combined total of \$9,000,000, to complete this project as well as other chilled water projects currently underway or in negotiation.

Without additional funding, the City will not be able to meet contractual requirements to its chilled water customers. Also, stop gap measures such as renting temporary chillers to cool customers' buildings may be required until projects are complete.

Bilfinger Westcon is located in Deer Park, Texas.

Information on this solicitation is available on the City's Austin Finance Online website. Link: [Solicitation Documents](#).

AUTHORIZATION HISTORY

| AMOUNT | DATE | DESCRIPTION |
|--------------|------------|--|
| \$15,000,000 | 12/15/2016 | (Council) –ID/IQ construction services contract with Bilfinger Westcon |
| \$0 | 12/07/2017 | Proposed (Council) – Expedition of remaining contract terms |
| \$15,000,000 | | <i>Total Contract Authorization</i> |

CONTRACT HISTORY

| AMOUNT | DATE | DESCRIPTION |
|--------------|------------|---|
| \$15,000,000 | 12/15/2016 | (Council) – ID/IQ construction services contract with Bilfinger Westcon |
| \$0 | 12/06/2017 | Proposed – Expedition of remaining contract terms |
| \$15,000,000 | | <i>Total Contract Expenditures</i> |

M/WBE Summary

Project specific goals stated in the original approved compliance plan for the agreement were 4.81% MBE and 0.86% WBE. Participation for this change order:

| | |
|----------------------------------|-------------|
| <u>NON M/WBE TOTAL – PRIME</u> | <u>100%</u> |
| Bilfinger Westcon, Deer Park, TX | 100% |

Overall participation based on expenditures for the entire project as of October 24, 2017, (not including this change order):

PRIME:

66.1% NON-M/WBE

SUBCONTRACTORS:

29.50MBE; 1.10% WBE; and 3.30% Non M/WBE

TOTAL:

29.50MBE; 1.10% WBE; and 69.4% Non M/WBE